

HOUSE BILL 3100  
By Winningham

AN ACT to amend Tennessee Code Annotated, Title 8,  
Chapter 27, relative to insurance benefits.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-27-301, is amended by adding the following as a new, appropriately designated subsection:

(h) Notwithstanding any provision of this part to the contrary, the local education insurance committee shall promulgate rules and regulations governing the amounts paid for health insurance for any local education agency's non-professional employees, including, but not limited to nurses, teaching assistants, school secretaries, system secretaries, custodians, transportation personnel, and maintenance and operation personnel. Each local education agency shall pay on behalf of non-professional education employees participating in the health insurance coverage authorized by §8-27-302 (a) or subdivision (a)(2) as a minimum the percentage specified in the general appropriations act of the premium collected on behalf of each such employee. Distribution of a like amount to each non-professional education employee through a flexible spending arrangement authorized by Section 125 of the Internal Revenue Code shall satisfy the requirements of this subsection. The local education insurance committee shall certify such amounts to the commissioner of education and the director of each local education agency each fiscal year.

SECTION 2. Tennessee Code Annotated, Section 8-27-303(a)(1)(A), is amended by deleting the first sentence thereof and substituting instead the following:

From appropriations made each year in the general appropriations act for that purpose, the department of education is authorized to pay, on behalf of each eligible

local education employee, and the employee's dependents, an amount of the total cost of such person's participation in the basic insurance plan, based on such person's years of service in accordance with the following schedule:

<u>Years of Service</u>	<u>Percentage of Cost</u>
0 – 5	45%
5 – 15	50%
15 – 25	55%
25 – 30	60%
31	66%
32	73%
33 or more	80%

SECTION 3. Tennessee Code Annotated, Section 8-27-702, is amended by redesignating subdivision (b)(1) to be subdivision (b)(1)(A), and by adding the following new subdivision:

(b)(1)(B) Notwithstanding the provisions of subdivision (b)(1)(A), the committee shall make a contribution on behalf of retired teachers based on the following schedule:

<u>Years of Service</u>	<u>Percentage of Cost</u>
0 – 5	45%
5 – 15	50%
15 – 25	55%
25 – 30	60%
31	66%
32	73%
33 or more	80%

SECTION 4. This act shall take effect July 1, 2006, the public welfare requiring it.

